



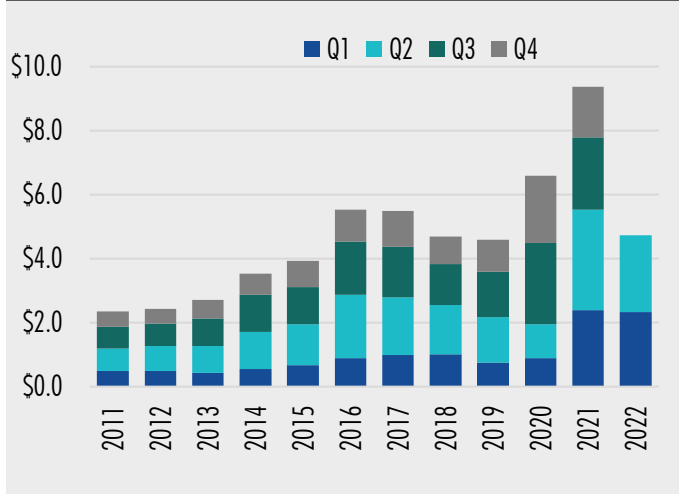
ASSOCIATION OF
**INTERIOR
REALTORS®**

Q2 2022

OKANAGAN MARKET OVERVIEW

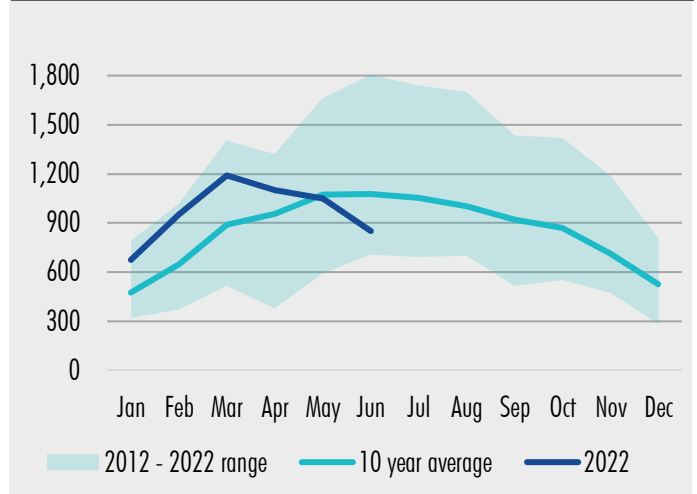
JULY 2022

FIGURE 1: RESIDENTIAL SALES VOLUME OKANAGAN REGION - \$ Billions



Source: ASSOCIATION OF INTERIOR REALTORS®, Q2 2022

FIGURE 2: NUMBER OF RESIDENTIAL SALES OKANAGAN REGION



Source: ASSOCIATION OF INTERIOR REALTORS®, Q2 2022

After unprecedented housing demand in 2021 and a strong first 5 months of the year, activity in the Okanagan real estate market is quickly rebalancing following a particularly weak month of June. The Association of Interior REALTORS® transacted 3,005 residential sales in the region, worth \$2.4 billion, in the second quarter of 2022. This represents 32.1% and 23.2% declines, respectively, compared to the same period in 2021. The insatiable demand that defined the housing market for most of the pandemic has quickly reversed course. There continues to be great interest from prospective buyers as the Okanagan is one of the most desirable regions in British Columbia. However, many are on the sidelines waiting for interest rates to stabilize.

The decline in activity is in direct response to the recent rise in interest rates from the Bank of Canada which impact the cost of borrowing. In response, mortgage rates quickly reversed course from a historical low to a decade high in a matter of months. Areas with higher benchmark prices, particularly in the Central Okanagan, experienced a more marked slowdown.

FIGURE 3: QUARTERLY NEW HOMES QUICK STATS



3,005 Residential sales in Q2 2022
32.1% decrease vs Q2 2021



\$2.4 Billion transacted in Q2 2022
23.2% decrease vs Q2 2021



6,596 New listings in Q2 2022
16.7% increase vs Q2 2021



3,987 Active residential listings as of June 2022
51.2% decrease vs June 2021

Source: ASSOCIATION OF INTERIOR REALTORS®, Q2 2022

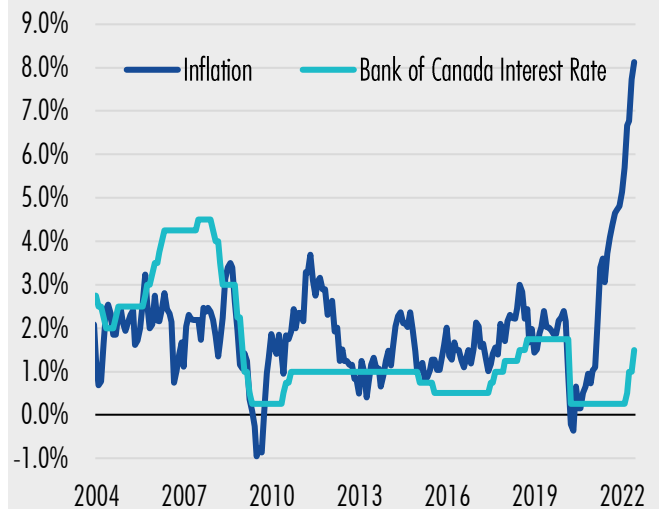


The Central Bank has increased rates 4 times since March to rein in runaway inflation, which sits at a 30-year high. Moreover, on July 13, the Bank of Canada hiked its benchmark rate by 1%. This is the largest increase since 1998. Inflation is a self-fulfilling prophecy, if people believe inflation is here to stay, inflation will automatically happen as people adjust their prices. The Bank does not expect the official inflation rate to come down to 3% until next year and will not get back to its 2% target until 2024. Going forward, economists are expecting more rate hikes as the Bank of Canada has stated that it will do “whatever it takes” to control inflation.

Less housing demand has allowed for a rise in inventories, which were at a historic low during the pandemic. In June 2022 there were 3,987 active residential listings. This represents a 51.2% increase compared to June 2021. Price increases and consumers choosing to defer buying until options increase in the market have also contributed to the inventory build up. In Q2 2022, 34.3% of the new listings were over \$1M. This compared to only 20.4% in Q2, 2021. Despite this, the region continues to be undersupplied. Excluding the pandemic years, 2022 has the second lowest level inventory in June since 2012.

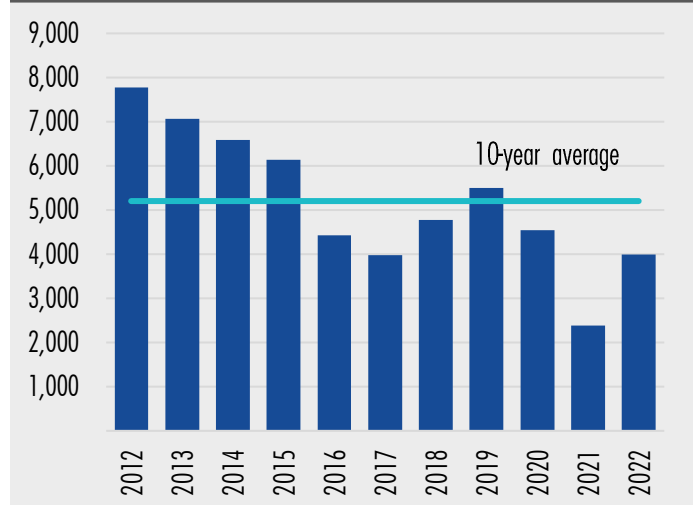
Home prices are stabilizing after unprecedented growth. On a year-over-year basis, prices continue to see solid double-digit growth. However, prices appear to have peaked in March of 2022, just before the beginning of the recent interest rate increases. In fact, all 4 major areas in the Okanagan experienced a month-to-month decline in composite prices in June 2022 for the first time since September 2019. Properties are also not selling as fast as they used to a few months ago, and sellers are having a hard time adjusting to the new reality. Many sellers continue to expect top dollars for their property despite market changing conditions. Some properties for sale sit for longer than expected despite having aggressive price adjustments as consumers are tightening their belts.

FIGURE 4: BANK OF CANADA INTEREST RATE AND CANADIAN INFLATION



Source: Statistics Canada, Q2 2022

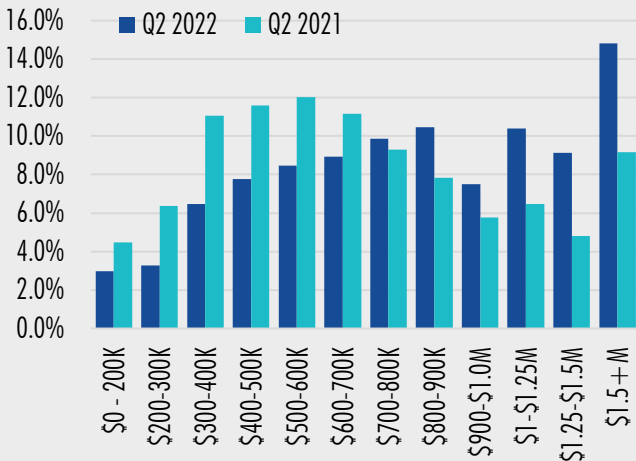
FIGURE 5: RESIDENTIAL INVENTORY FOR THE MONTH OF JUNE



Source: ASSOCIATION OF INTERIOR REALTORS®, Q2 2022



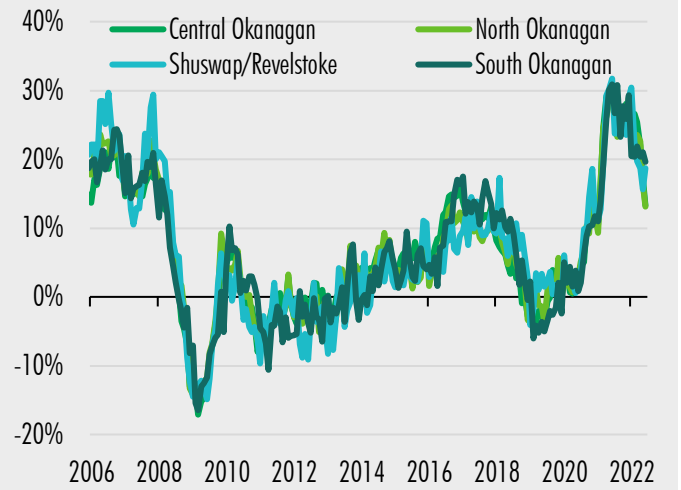
FIGURE 6: RESIDENTIAL INVENTORY
12 MONTH MOVING AVERAGE



Source: ASSOCIATION OF INTERIOR REALTORS®, Q2 2022

Going forward the market is expecting some turbulence over the short term from rising interest rates, inflation, and financial turmoil. Despite this, in the medium-term the housing markets in the region are expected to return to normal conditions, meaning those seen in 2018 rather than during the pandemic years. Prices are also expected to normalize with minimal to moderate gains going forward. It is possible that for a brief period, prices see moderate declines as values for some properties were above long-term fundamentals. However, a fall out of prices is highly unlikely as the risks of foreclosure is extremely low. This is because to see an increase in mortgage defaults there would need to be a rapidly rising unemployment rate and further declining home prices. Both issues are highly unlikely in the Okanagan. Additionally, the stress test measures implemented in 2017 were designed to insulate homebuyers from rising interest rates which will likely prevent potential flood of desperate sellers and defaults on loan repayments.

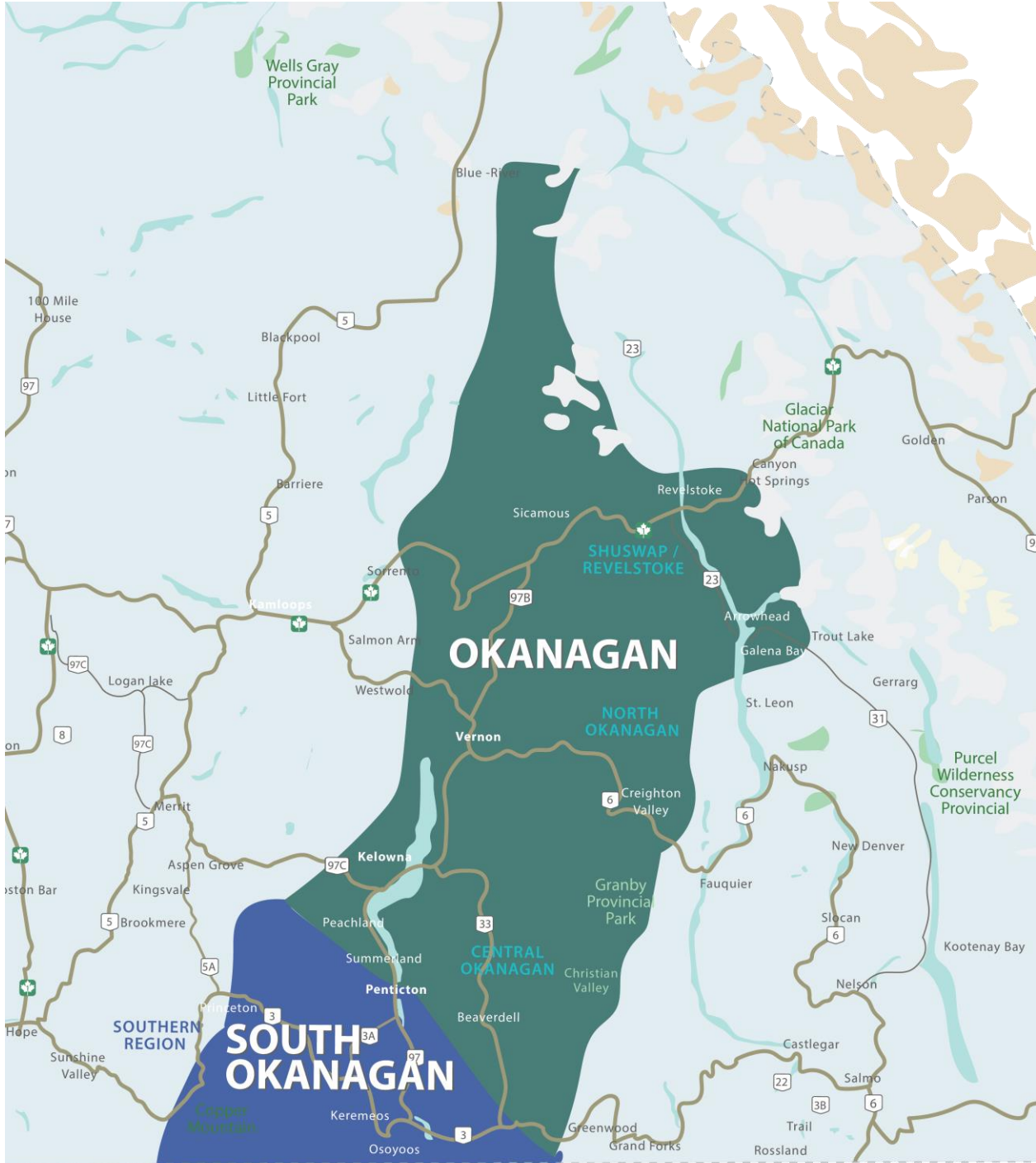
FIGURE 7: HISTORICAL BENCHMARK PRICE BY PROPERTY TYPE



Source: The Canadian Real Estate Association

A recent poll from Leger shows that 80% of Canadians respondents believe the cost of living will keep going up, and 59% think that Canada is already in an economic recession. However, the Okanagan economy continues to be in solid footing with low unemployment and strong job growth. Employment in the Thompson-Okanagan has fully recovered and is now above pre-pandemic levels with 9,300 additional jobs created between June 2019 and June 2022. Moreover, year-over-year unemployment rate in the region has dropped for 16 consecutive months since March 2021. The region is also enjoying an increase in younger demographics, essential to power its workforce and keep the economy growing. The appeal of the region has been recognized with Kelowna named second on the list of Canada's Best Small Cities produced by global consulting firm Resonance.

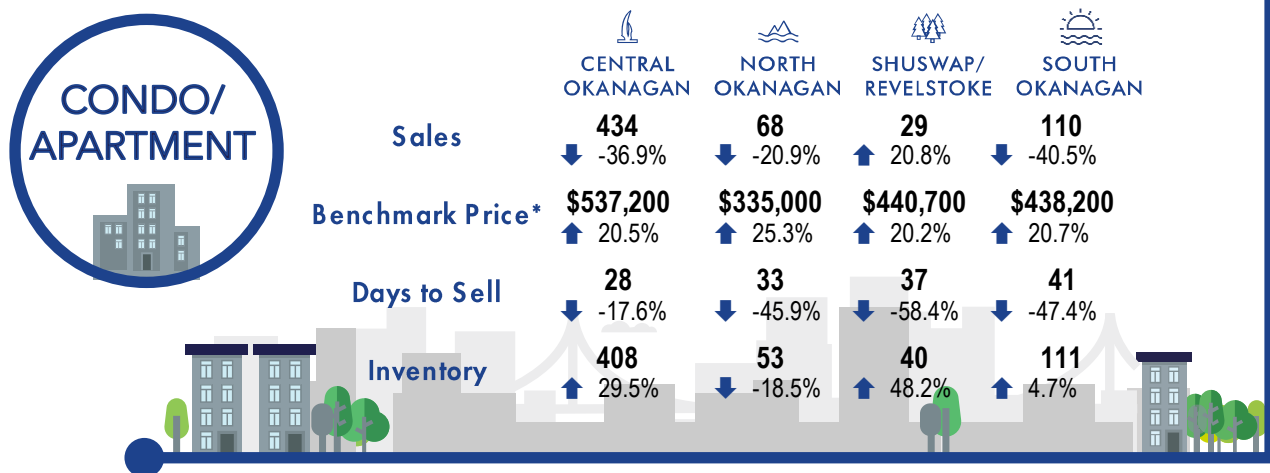
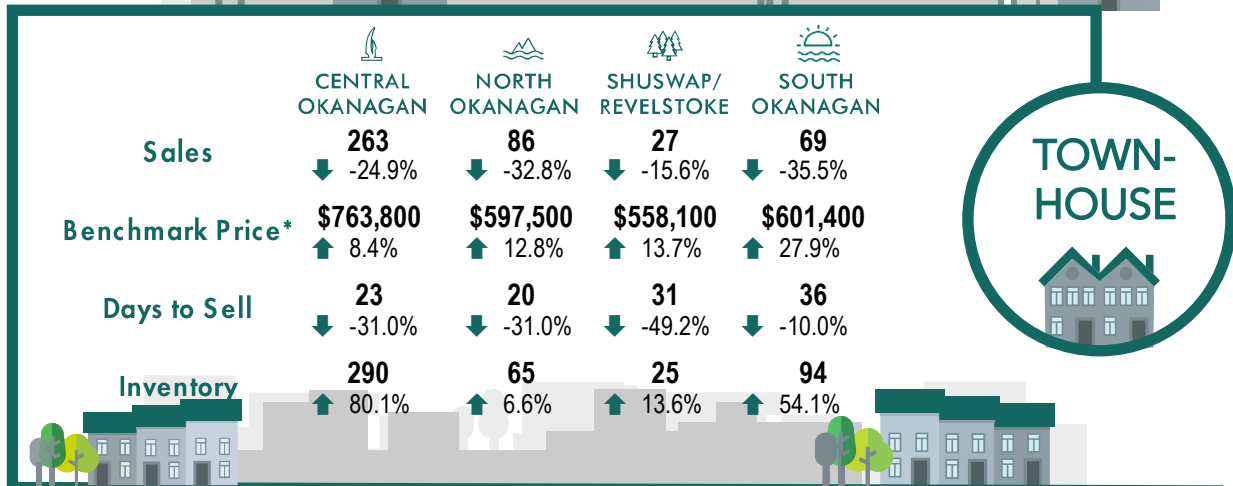
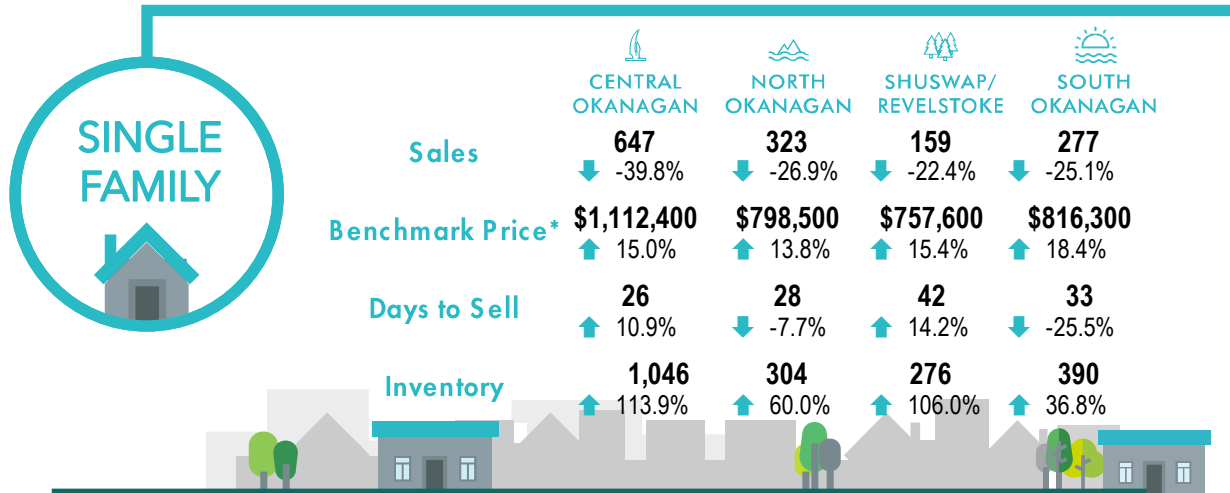




This map is for informational purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Q2 2022 Statistics



*Benchmark Price: Estimated sales price of a benchmark property. Benchmarks represent a typical property within each market.

**Percentage indicate change from the same period last year



**CENTRAL OKANAGAN
Q2 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
Big White	0 ↓ -100.0%		7 ↓ -46.2%	\$709,400 ↑ 8.5%	24 ↓ -29.4%	\$515,400 ↑ 20.8%
Black Mountain	32 ↓ -37.3%	\$1,233,000 ↑ 16.9%	4 0.0%	\$867,100 ↑ 5.7%	0	
Crawford Estates	4 ↓ -33.3%	\$1,435,000 ↑ 16.6%	0		0	
Dilworth Mountain	13 ↓ -35.0%	\$1,245,000 ↑ 16.2%	7 0.0%	\$946,800 ↑ 6.5%	3 0.0%	\$516,300 ↑ 20.5%
Ellison	12 ↑ 0.0%	\$1,043,000 ↑ 22.9%	1 ↓ -80.0%	\$780,200 ↑ 5.8%	0	
Fintry	13 ↓ -45.8%	\$940,800 ↑ 10.2%	0	\$653,500 ↑ 13.4%	0 ↓ -100.0%	\$267,400 ↑ 22.1%
Glenmore	24 ↓ -61.3%	\$1,048,000 ↑ 16.5%	19 ↓ -26.9%	\$771,900 ↑ 6.7%	17 ↓ -52.8%	\$624,800 ↑ 19.0%
Glenrosa	27 ↓ -44.9%	\$820,500 ↑ 12.5%	0	\$759,600 ↑ 13.2%	0	
Joe Rich	2 ↓ -50.0%	\$1,262,000 ↑ 19.2%	0		0 ↓ -100.0%	
Kelowna North	16 ↓ -52.9%	\$1,057,000 ↑ 19.1%	7 ↓ -74.1%	\$835,600 ↑ 5.8%	80 ↓ -29.8%	\$631,700 ↑ 19.2%
Kelowna South	35 ↓ -42.6%	\$1,020,000 ↑ 18.9%	29 ↑ 20.8%	\$730,700 ↑ 6.2%	32 ↓ -45.8%	\$553,300 ↑ 18.8%
Kettle Valley	17 ↓ -26.1%	\$1,432,000 ↑ 15.8%	4 0.0%	\$776,700 ↑ 7.7%	0	
Lake Country East / Oyama	14 ↓ -41.7%	\$1,181,000 ↑ 17.3%	6 0.0%	\$764,200 ↑ 8.7%	1 ↓ -90.0%	\$496,600 ↑ 21.5%
Lake Country North West	16 ↓ -27.3%	\$1,556,000 ↑ 17.9%	6 ↓ -25.0%	\$856,100 ↑ 4.7%	7 ↓ -12.5%	
Lake Country South West	18 ↓ -21.7%	\$1,155,000 ↑ 18.3%	1 ↓ -85.7%	\$958,500 ↑ 5.0%	0 ↓ -100.0%	
Lakeview Heights	53 ↓ -8.6%	\$1,219,000 ↑ 11.2%	5 ↓ -28.6%	\$971,000 ↑ 14.2%	4 ↓ -50.0%	\$662,800 ↑ 19.4%
Lower Mission	29 ↓ -52.5%	\$1,360,000 ↑ 14.8%	32 ↓ -20.0%	\$819,500 ↑ 6.1%	58 ↓ -41.4%	\$522,800 ↑ 20.6%

* Percentage represents change compared to the same period last year

** Benchmark price as of July 2022



**CENTRAL OKANAGAN
Q2 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
McKinley Landing	8 ↓ -38.5%	\$1,226,000 ↑ 18.1%	1 ↓ -87.5%		2	
North Glenmore	20 ↓ -48.7%	\$1,073,000 ↑ 17.3%	32 ↑ 33.3%	\$722,900 ↑ 8.4%	24 ↓ -17.2%	\$516,100 ↑ 21.6%
Peachland	28 ↓ -31.7%	\$1,001,000 ↑ 10.4%	10 ↓ -28.6%	\$795,600 ↑ 12.0%	1 ↓ -80.0%	\$595,600 ↑ 19.3%
Rutland North	33 ↓ -57.1%	\$882,000 ↑ 18.8%	22 ↓ -24.1%	\$600,300 ↑ 9.7%	44 ↓ -13.7%	\$413,900 ↑ 21.4%
Rutland South	39 ↓ -38.1%	\$881,300 ↑ 17.5%	10 ↓ -33.3%	\$546,600 ↑ 8.9%	16 ↑ 100.0%	\$442,100 ↑ 18.2%
Shannon Lake	26 ↓ -50.0%	\$1,060,000 ↑ 10.4%	4 ↓ -71.4%	\$848,300 ↑ 11.9%	7 ↓ -65.0%	\$644,400 ↑ 20.0%
Smith Creek	9 ↓ -40.0%	\$1,000,000 ↑ 10.0%	1 ↑ 11.2%	\$783,000	0	
South East Kelowna	23 ↓ -11.5%	\$1,413,000 ↑ 17.9%	1 ↓ -50.0%	\$1,068,000 ↑ 3.8%	0	
Springfield/Spall	14 ↓ -30.0%	\$993,700 ↑ 18.3%	12 ↓ -57.1%	\$645,500 ↑ 6.8%	29 ↓ -42.0%	\$542,400 ↑ 20.0%
University District	5 ↓ -68.8%	\$1,183,000 ↑ 15.9%	7 ↓ -41.7%	\$836,200 ↑ 4.7%	29 ↓ -49.1%	\$504,000 ↑ 20.7%
Upper Mission	39 ↓ -39.1%	\$1,393,000 ↑ 16.5%	0	\$1,115,000 ↑ 6.9%	0	
West Kelowna Estates	34 ↓ -8.1%	\$1,068,000 ↑ 9.2%	3 ↓ -57.1%	\$887,600 ↑ 10.2%	0 ↓ -100.0%	
Westbank Centre	32 ↓ -25.6%	\$747,500 ↑ 10.6%	20 ↑ 11.1%	\$647,700 ↑ 11.3%	54 ↓ -37.9%	\$492,600 ↑ 20.9%
Wilden	11 ↓ -54.2%	\$1,360,000 ↑ 16.8%	11 ↑ 6.9%	\$984,100	0	\$425,900 ↑ 20.8%

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** Benchmark price as of July 2022



**NORTH OKANAGAN
Q2 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
Adventure Bay	4 ↓ -63.6%	\$1,184,000 ↑ 11.4%	2 ↑ 10.1%	\$984,300 ↑ 10.1%	0	
Alexis Park	9 ↑ 80.0%	\$649,900 ↑ 13.9%	5 ↑ 25.0%	\$276,700 ↑ 14.2%	7 ↓ -41.7%	\$316,000 ↑ 20.7%
Armstrong	36 ↑ 20.0%	\$752,700 ↑ 13.9%	3 ↓ -25.0%	\$587,900 ↑ 13.5%	1 ↓ -66.7%	\$259,300 ↑ 22.7%
Bella Vista	19 ↓ -5.0%	\$895,800 ↑ 11.1%	5 ↓ -61.5%	\$633,400 ↑ 13.3%	1 0.0%	
Cherryville	0	\$527,900 ↑ 13.7%	0	\$458,400 ↑ 12.6%	0	
City of Vernon	16 ↓ -27.3%	\$553,600 ↑ 13.3%	11 ↓ -42.1%	\$477,200 ↑ 13.1%	30 ↑ 25.0%	\$276,700 ↑ 23.3%
Coldstream	32 ↓ -3.0%	\$981,600 ↑ 9.6%	3 ↑ 200.0%	\$812,600 ↑ 11.4%	0 ↓ -100.0%	
East Hill	31 ↓ -53.0%	\$727,000 ↑ 12.1%	4 ↓ -78.9%	\$585,800 ↑ 12.0%	0	
Enderby / Grindrod	16 ↓ -56.8%	\$629,600 ↑ 15.0%	2 ↓ -33.3%	\$472,300 ↑ 15.3%	2 ↓ -50.0%	\$359,100 ↑ 20.5%
Foothills	13 ↓ -18.8%	\$1,100,000 ↑ 16.5%	0 ↓ -100.0%	\$986,200 ↑ 13.2%	0	
Harwood	8 ↓ -46.7%	\$568,200 ↑ 11.0%	19 ↑ 46.2%	\$444,600 ↑ 15.2%	0 ↓ -100.0%	
Lavington	6 0.0%	\$1,068,000 ↑ 16.7%	0		0	
Lumby Valley	18 ↑ 12.5%	\$626,500 ↑ 18.0%	0 ↓ -100.0%	\$470,800 ↑ 11.5%	0	
Middleton Mtn Coldstream	5 ↓ -54.5%	\$1,128,000 ↑ 10.5%	0	\$849,700 ↑ 13.2%	0	
Middleton Mtn Vernon	15 0.0%	\$928,100 ↑ 9.6%	8 ↑ 100.0%	\$639,900 ↑ 9.4%	1 ↓ -50.0%	
Mission Hill	16 ↓ -42.9%	\$620,800 ↑ 9.8%	2 ↓ -60.0%	\$546,100 ↑ 13.9%	6 ↓ -33.3%	\$305,300 ↑ 20.0%
North BX	10 ↓ -37.5%	\$1,141,000 ↑ 20.3%	0 ↓ -100.0%	\$565,100 ↑ 13.8%	0	

* Percentage represents change compared to the same period last year

** Benchmark price as of July 2022



**NORTH OKANAGAN
Q2 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
Okanagan Landing	14 ↓ -12.5%	\$908,800 ↑ 7.7%	14 ↓ -44.0%	\$794,900 ↑ 11.2%	8 ↓ -27.3%	\$580,800 ↑ 20.7%
Okanagan North	21 ↓ -34.4%	\$550,400 ↑ 8.0%	0		0	
Predator Ridge	11 ↑ 83.3%	\$1,199,000 ↑ 10.2%	3 ↓ -62.5%	\$951,100 ↑ 12.8%	5 0.0%	
Salmon Valley	5 ↓ -28.6%	\$695,200 ↑ 16.9%	0		0	
Silver Star	0 ↓ -100.0%	\$1,121,000 ↑ 15.9%	1 ↓ -75.0%	\$555,700 ↑ 14.4%	6 ↓ -33.3%	\$361,000 ↑ 24.4%
South Vernon	3 ↑ 50.0%	\$559,800 ↑ 14.0%	1 0.0%		0	
Swan Lake West	7 ↓ -58.8%	\$1,225,000 ↑ 12.6%	0		0	
Westmount	2 ↓ -80.0%	\$653,300 ↑ 12.1%	3 ↑ 200.0%	\$452,300 ↑ 12.8%	0 ↓ -100.0%	

* Percentage represents change compared to the same period last year

** Benchmark price as of July 2022



**SHUSWAP/REVELSTOKE
Q2 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
Blind Bay	21 ↓ -38.2%	\$864,000 ↑ 13.9%	2 ↓ -66.7%	\$743,800 ↑ 13.1%	0	
Eagle Bay	2 ↓ -66.7%	\$856,600 ↑ 14.7%	0		0	
NE Salmon Arm	33 ↓ -2.9%	\$738,800 ↑ 15.1%	6 ↓ -14.3%	\$523,900 ↑ 14.6%	2 0.0%	\$372,200 ↑ 21.3%
North Shuswap	17 0.0%	\$714,700 ↑ 15.0%	1 ↑ 12.9%	\$643,400	0	
NW Salmon Arm	1 0.0%	\$888,200 ↑ 16.0%	1 ↓ -50.0%	\$545,000 ↑ 13.0%	0	\$330,300 ↑ 22.3%
Revelstoke	31 ↑ 14.8%	\$764,600 ↑ 15.0%	0	\$543,400 ↑ 14.0%	7 ↓ -22.2%	\$529,700 ↑ 19.8%
SE Salmon Arm	30 ↓ -11.8%	\$801,600 ↑ 13.7%	7 ↑ 75.0%	\$537,000 ↑ 13.6%	3 ↓ -40.0%	
Sicamous	11 ↓ -57.7%	\$603,900 ↑ 15.9%	5 ↓ -50.0%	\$495,100 ↑ 13.5%	11 ↑ 57.1%	\$478,300 ↑ 21.1%
Sorrento	5 ↓ -28.6%	\$688,500 ↑ 17.3%	0 ↓ -100.0%	\$627,400 ↑ 12.8%	0	
SW Salmon Arm	2 ↓ -75.0%	\$833,100 ↑ 16.0%	5 ↑ 150.0%	\$542,500 ↑ 13.2%	6 ↑ 500.0%	
Tappen	4 ↓ -55.6%	\$825,700	0		0	

* Percentage represents change compared to the same period last year

** Benchmark price as of July 2022



**SOUTH OKANAGAN
Q2 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
Keremeos	9 ↑ 80.0%	\$546,300 ↑ 17.7%	1 ↓ -50.0%	\$476,900 ↑ 27.4%	0	
Eastside / Lkshr Hi / Skaha Est	7 ↑ 75.0%	\$1,277,000 ↑ 15.8%	0		0	
Kaleden	2 0.0%	\$1,122,000 ↑ 17.5%	0		0	
Kaleden / Okanagan Falls Rural	2 ↓ -33.3%	\$1,199,000 ↑ 10.2%	0		0	
Okanagan Falls	6 ↓ -71.4%	\$657,600 ↑ 15.4%	1 0.0%	\$692,000 ↑ 24.5%	0 ↓ -100.0%	\$372,900 ↑ 26.2%
Naramata Rural	5 ↓ -44.4%	\$1,171,000 ↑ 17.1%	0		0	
Oliver	33 0.0%	\$675,000 ↑ 17.4%	12 ↑ 33.3%	\$461,600 ↑ 23.4%	5 ↓ -44.4%	\$308,100 ↑ 28.3%
Oliver Rural	6 ↓ -60.0%	\$708,000 ↑ 21.9%	0		1 ↑ 0.0%	
Osoyoos	26 ↑ 23.8%	\$796,600 ↑ 17.3%	12 ↓ -29.4%	\$678,700 ↑ 31.3%	19 ↓ -45.7%	\$429,500 ↑ 25.0%
Osoyoos Rural	0 ↓ -100.0%	\$1,504,000 ↑ 14.9%	0		0	
Rock Crk. & Area	1 0.0%		0		0	
Columbia / Duncan	19 ↓ -47.2%	\$941,600 ↑ 18.2%	2 ↓ -75.0%	\$706,200 ↑ 26.0%	1 ↑ 25.2%	\$263,000
Husula / West Bench / Sage Mesa	5 ↑ 66.7%	\$920,100 ↑ 16.6%	0		0	
Main North	40 ↓ -27.3%	\$660,000 ↑ 17.2%	17 ↓ -19.0%	\$656,600 ↑ 30.2%	27 ↓ -32.5%	\$473,400 ↑ 19.4%
Main South	18 ↓ -35.7%	\$805,400 ↑ 15.4%	14 ↓ -60.0%	\$507,000 ↑ 25.4%	39 ↓ -46.6%	\$476,200 ↑ 19.0%

* Percentage represents change compared to the same period last year

** Benchmark price as of July 2022



**NORTH OKANAGAN
Q2 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
Penticton Apex	1 ↓ -50.0%	\$876,600 ↑ 16.0%	0 ↓ -100.0%		5 0.0%	\$310,000 ↑ 24.3%
Penticton Rural	0		0		0	
Uplands / Redlands	4 ↓ -50.0%	\$1,132,000 ↑ 20.3%	0 ↓ -100.0%		0	
Wiltse / Valleyview	12 ↓ -50.0%	\$1,025,000 ↑ 17.2%	3 ↓ -40.0%	\$849,000 ↑ 27.2%	0	
Princeton	15 ↓ -16.7%	\$394,700 ↑ 22.2%	0 ↓ -100.0%		0 ↓ -100.0%	
Princeton Rural	5 ↓ -16.7%	\$828,200 ↑ 17.3%	0		0	
Lower Town	6 ↑ 100.0%	\$1,017,000 ↑ 18.1%	2		2 ↓ -33.3%	\$402,800 ↑ 25.4%
Main Town	38 ↓ -7.3%	\$768,300 ↑ 17.8%	5 ↑ 66.7%	\$543,500 ↑ 25.6%	8 ↓ -38.5%	\$374,700 ↑ 20.7%
Summerland Rural	7 ↓ -53.3%	\$1,064,000 ↑ 14.7%	0		0	
Trout Creek	4 ↓ -42.9%	\$1,229,000 ↑ 17.9%	0 ↓ -100.0%	\$659,400 ↑ 26.9%	0	

* Percentage represents change compared to the same period last year

** Benchmark price as of July 2022





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